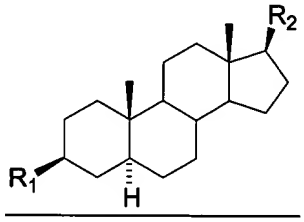
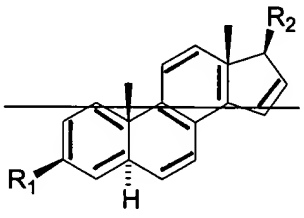
## Amendments to the Specification

**Please delete the paragraph on page 5, starting at line 12 immediately after "DETAILED DESCRIPTION OF THE INVENTION", and replace it with the following paragraph:**

The present invention relates to compound of the formula (I):




wherein $R_1$ is hydrogen, alkyl, alkanoyl or Y-substituted alkanoyl;

Y is alkyl, aryl or halo; and

$R_2$ is amide, or X-substituted amide wherein X is a peptide or an amino acid; or a pharmaceutically acceptable addition salt and/or hydrate thereof, or where applicable, a geometric or optical isomer or racemic mixture thereof.

**On page 8, please delete the second paragraph, and replace it with the following paragraph:**

The compounds of the present invention may have asymmetric carbon atoms. Such ~~diasteromeric~~ diastereomeric mixtures can be separated into their individual diastereomers on the basis of their physical chemical differences by methods known to those skilled in the art, for example, by chromatography or fractional crystallization. Enantiomers can be separated by converting the enantiomeric mixtures into a ~~diastereomric~~ diastereomeric mixture by reaction with an appropriate optically active compound (e.g., alcohol), separating the diastereomers and converting (e.g., hydrolyzing) the individual diastereomers to the corresponding pure enantiomers. All such isomers, including diastereomer mixtures and pure enantiomers are considered as part of the invention.

**On page 12, please delete the last paragraph, and replace it with the following paragraph:**

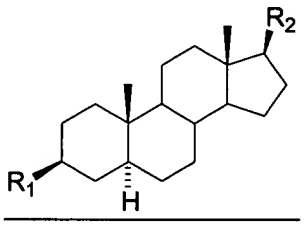
Compositions according to the invention intended for topical administration may, for example, be in the form of ointments, creams, lotions, eye ointments, eye drops, ~~ear~~ ear drops, nose drops, nasal sprays, impregnated dressings, and aerosols, and may contain appropriate conventional additives, including, for example, preservatives, solvents to assist drug penetration, and emollients in ointments and creams. Such topical formulations may also contain compatible conventional carriers, for example cream or ointment bases, and ethanol or oleyl alcohol for lotions. Such carriers may constitute from about 1% to about 98% by weight of the formulation;

more usually they will constitute up to about 80% by weight of the formulation.

**Please delete the entire "Abstract" which appears on page 29 of the application, and replace it with the following:**

## ABSTRACT

The present invention relates to compounds of the formula ~~##STR1##~~




and to pharmaceutically acceptable salts thereof, where ~~R.sup.1~~ $R_1$ and ~~R.sup.2~~ $R_2$ are as defined herein. The compounds are useful as anti-microbial agents, most specifically against gram positive bacteria. The invention further relates to pharmaceutical compositions and methods of treating bacterial infection using such compositions.